

Late Backup

RESOLUTION NO.

Item #69

Changes initiated by

C.M. Kathie Tove

WHEREAS, Austin Energy currently offers cash rebates up to 90 percent, or \$200,000, for multi-family properties to make energy efficiency improvements;

WHEREAS, these rebates aim to increase energy efficiency, providing Austin Energy customers with the benefits of electric power at a lower overall cost;

WHEREAS, customers who live in apartments that receive energy efficiency improvements through an Austin Energy multi-family rebate program will not benefit if reduced utility costs are more than offset by increased rents;

WHEREAS, federal and some state guidelines for low-income weatherization assistance programs in many cases prohibit rent increases for reasonable periods of time after upgrades;

WHEREAS, the Electric Utility Commission and the Resource Management Commission have expressed concern that limitations on rent increases could discourage participation in Austin Energy's multi-family rebate program, thus increasing Austin Energy's need to generate electricity and reducing the number of tenants who receive efficiency benefits;

WHEREAS, it is unclear to what extent rent increases offset efficiency benefits among tenants of multi-family properties who take advantage of energy efficiency rebates;

WHEREAS, the value of energy efficiency improvements to consumers is usually measured through engineering estimates of energy or cost reductions rather than empirical data;

WHEREAS, additional data would also help Austin Energy to better identify the populations now served by the program and to develop strategies for reaching other segments of the multi-family market that could benefit from participation; and

WHEREAS, additional information will illustrate the extent to which the net financial benefits of energy efficiency are reaching the tenant population and also demonstrate to owners of multi-family properties the extent to which energy efficiency programs can reduce bills and improve long-term profitability; **NOW, THEREFORE,**

BE IT RESOLVED THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Manager is directed to identify an interdepartmental team to collect data that measures the effect, if any, that participation in Austin Energy's Multi-Family Rebate Program has on rental prices for properties receiving a rebate (or cumulative rebates) of \$50,000 or more. Data collected (as noted in Appendix A) should also illustrate if energy savings result in a net benefit to the tenant;

BE IT FURTHER RESOLVED:

The data collected will identify demographic characteristics of properties participating in order to assist in developing strategies for penetrating potential markets.

BE IT FURTHER RESOLVED:

The data will be collected on an ongoing basis with semiannual and annual reports to the Electric Utility Commission, the Community Development Corporation, and the City Council.

BE IT FURTHER RESOLVED:

The City Manager is directed to report to City Council by July 1, 2013 on the data collection process and to begin collecting this information beginning September 1, 2013. The City Manager shall also provide updates to the Electric Utility Commission, the Community Development Commission, and the City Council by December 1, 2013, and shall provide the data requested above in a report to the same three bodies by June 1, 2014.

ADOPTED: _____, 2013

ATTEST: _____

Jannette S. Goodall
City Clerk

Appendix A

Data collection should include but not be limited to the following:

1) Location of multi-family units, description of work completed, total cost of upgrades, and owner's share of costs*

2) Rental prices at the time of application to rebate program and in subsequent years;

3) Number of units and bedroom mix in multifamily complex;

4) Whether electric bills are paid by tenants or by the complex;

5) Whether rebate recipients initiated rebate applications after completing the Energy Conservation and Disclosure audit;

6) Estimated monthly energy savings per square foot per participating property; and

7) Data showing how the average rents of participating multi-family properties compare to the overall market.

*Austin Energy currently collections this information from program participants.